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Develop Israel with Israel Bonds

MARGINAL COLUMN

By NISSIM REJWAN

SINCE 1948, and especially since last November, the Middle East has been too much in the headlines to be quite comprehensible. This is not a contradiction in terms, for it can generally be safely said (to borrow a phrase from a recent issue of the "Times Literary Supplement") that "....the more dramatically the affairs of any region appear in the daily news the less likely is there to be any extent of informed opinion about any but the most superficial developments within it." Events having taken the course they did, no observer of the Arab scene these past few months could have possibly ignored the differences and splits besetting inter-Arab relations, and comment in this column, along no doubt with other press and radio commentaries both in Israel and abroad, was taken up by rifts, regroupings, new alignments and such unsavoury topics. It might be helpful to discuss not the latest Jordan-Egypt developments, not the fact that the oft-publicized Joint Arab Command in Amman lies in ruins — but the way in which our neighbours have been reacting to Israel comment on these developments.

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AN Old City contemporary, "A-Diffa'a" carries a daily column, "Quick Comments," which we have always enjoyed reading. One day last week, apropos of comment provoked in Israel by something the "Christian Science Monitor" had said about the Israel-Syrian borders, that writer ridiculed Israel's offer of direct talks with the Arabs, on the ground that "it was rejected before and it will be rejected now." He went on to say that Israel is "grossly exaggerating" differences in the Arab camp; her propaganda is over-optimistic about the split which it claims has taken place in Arab ranks. He finally reminds this country that Arabs are "in full agreement anyway about every single question relating to Israel." The same issue of "A-Diffa'a" speaks editorially of the "wrong picture which Israel paints to satisfy hopes and ambitions which will never be realised."

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ONE does not wish to contradict the contention that, as Dr. Fadil Jamali, the Iraqi delegate, told the U.N. General Assembly last December, "when it comes to the Palestine question, all the Arab world is Egypt and all Arab statesmen are Nassers." But is the depiction of Israel smugly gloating over inter-Arab differences correct? As far as one can ascertain, no responsible Israeli views with anything but dismay the perpetual conflicts which have always riven the Arab world. Indeed, this country has nothing to gain from these rivalries: they have so far served only to strengthen the anti-Israel plank in the policies of opposing Arab camps — who obviously attempt to outdo each other in bloodthirsty threats against Israel, believing that this will enhance their respective stands in the eyes of the populace. There is every chance, moreover, that a united Arab front, securely based on concrete interests and acting on empirical rather than emotional considerations, will have more courage to come to terms with reality than a divided Arab world whose grouping is based on abstract textbook assumptions.

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THE real trouble is not that there has been an Arab movement for unity or "solidarity." It is that this movement, at any rate until recently, was based on completely artificial premises. For what real common ground does exist for a union embracing oil-rich and antarchical Saudi Arabia and relatively impoverished, hypernationalist and strongly pro-Soviet Egypt and Syria? What can keep Iraq alienated from Jordan and Saudi Arabia, with which last it shares the aim of ensuring safe and unmolested transport of oil exports? What, again, is the precise military use of an organization like the Joint Arab Command between Egypt, Syria and Jordan? The only possible satisfaction which this country can draw from the disintegration of the Egyptian camp is that, by being conceived on completely negative lines it had little else to do but to bait Israel and the imperialists who are said to have created Israel. The new grouping, though more powerful and as such even more of a menace to Israel, is at least based on a correct estimation of the real danger which now menaces the Arab regimes — a fact which is bound to supply the perspective without which no normal relations can be established between the countries of the region.

Jerusalem, June 18.

France Decides To Cut Off Imports

PARIS, Monday (UP). — France announced today it was temporarily cutting off imports in order to save foreign currency and gold reserves.

Mr. Felix Gaillard, the young new Finance Minister, said "We have decided to suspend temporarily the facilities for foreign trade."

This decision, made necessary by the desperate situation of the French foreign currency and gold reserves, was heart-breaking for an "European Minister" like the new Premier, M. Maurice Bourges-Maunoury. He made it clear in his platform that he was to ask the National Assembly to ratify the European Common Market before the end of July.

The decision today could mean that France was temporarily returning to the pre-war system of high tariffs and protection.

The decision was taken during the first Cabinet meeting of the new Government.

M. Maurice Faure, Secretary of State for Foreign Affairs, said later that a new Cabinet meeting will take place Wednesday to put the last touch to the financial decrees the Government will send to the Assembly.

The Premier asked his Cabinet today for permission to call a confidence vote tomorrow if the National Assembly balked at adopting his bulky legislative programme.

The Premier is determined to seek a confidence vote against any attempt to tamper with his parliamentary agenda. He wants to push through the Assembly before July 7, the summer recess, bills in this order:

1. Special powers for Algeria. The previous bill voted under Premier Guy Mollet, who fell May 21, expires 10 days after the formation of the new Cabinet.
2. New taxes and a new Bank of France loan to the Treasury.
3. Ratification of the European Common Market and Euratom treaties.

Egypt, Syria Pledge To Aid Tunisia

CAIRO, Monday (UP). — The Tunisian Ambassador, Sadek Almuquaddam, conferred today with Deputy Foreign Minister Abdul Fattah Hassan, who said later, "Egypt backs the Tunisian Government in its struggle to gain complete freedom from foreign influence."

Hassan added that Egypt will "immediately strengthen its economic ties with Tunisia."

(In Damascus tonight, a Syrian Foreign Ministry statement said this country will support the Tunisian nationalists with "all material and moral" aid they require in their "struggle for liberation from French occupation.")

Last night the Tunisian envoy conferred with Ali Sabry, Abdul Nasser's top political aide. Sabry announced afterwards that he had informed the envoy that Egypt backed the Tunisians against "the provocative measures which French troops are carrying out in Tunisia."

He added that Egypt supported Tunisia's demand for the sovereignty of its territory and the evacuation of French forces. Sabri said Egypt condemned French economic pressure to force Tunisia to abandon the Algerish liberation movement, and that "the obsolete methods which still dominate the thinking of the French rulers only stiffen our support of the North Africans' right to independence."

300 Insurgents Slain in Algeria

ALGIERS, Monday (Reuter). — A big air offensive killed about 100 insurgents yesterday in eastern Algeria, bringing the total dead on two successive days to over 300.

Some 205 insurgents were killed on Saturday at Cheria in the Nemehtcha mountains. About 100 planes went into action yesterday when large groups of insurgents were reported in an almost inaccessible region. The attack was directed from a flying command post in an aircraft. Meanwhile, insurgents were reported to have killed 98 people, including 75 Moslems, and kidnapped 70, including 65 Moslems, during the week ending June 9, according to usually well-informed sources in Algiers today. Terrorists wounded 258 people, including 69 Moslems, during the same week.

The sources added that arms captured following the fierce week-end action at Cheria included two machine-guns and modern rifles and sub-machineguns in perfect order. Ammunition bags carried Tunisian military markings and documents found included pay slips and Tunisian hospital entry and discharge certificates.

U.S. Court Frees 5 U.S. Communists

WASHINGTON, Monday (UP). — The Supreme Court today set aside the 1951 loyalty firing of career diplomat John Stewart Service and the 1952 conviction of 14 California Communists.

The Court freed five of the Communists on grounds of "insufficient evidence" and ordered new trials for the other nine on grounds that the part of the indictment which charged them with helping to "organize" the Communist Party was barred by the three-year statute of limitations. All 14 had been convicted of conspiring to advocate the violent overthrow of the government.

In the case of Mr. Service, wartime adviser to General Joseph Stilwell in the China-Burma-India theatre, the Court overturned his dismissal on the grounds of procedural flaws by the then Secretary of State, Dean Acheson, in firing Service. It did not rule on Service's loyalty, which became a subject of investigation following charges of Communism by the late Senator Joseph McCarthy.

In another ruling, the Supreme Court today set aside a contempt indictment and conviction of Illinois labour leader John T. Watkins, who had refused to testify before a Congressional Committee about the past Communist activities of other people.

ZIONISM SAID AGAIN 'CRIME' IN RUSSIA

LONDON, Monday (INA). — Several Jews have been arrested in Russia for "Zionist activities," according to a report here in the "Jewish Chronicle" headed: "A Crime again to be a Jew."

The report said that "Zionist activity" was again a crime in Russia for the first time since the wave of arrests which followed the "Doctors' Plot" at the time of Stalin's death.

Several Jews were reported by Poles repatriated from Kiev to have been arrested there on this charge, the "Jewish Chronicle" said.

It added that security police searching houses had torn down walls, ripped up floors and seized letters, papers and photographs establishing links with relatives in Israel.

Syrian Jew Charged With Shooting Two 'Fedayeen'

WASHINGTON, Monday (INA). — Syria has arrested a Damascus Jew charged with shooting two Syrian Arabs described as "*fedayeen*," according to reports received here.

One report, published in the week-end edition of the Cairo newspaper "Al Ahram," said Itzhak Ezra Sassoon opened fire on two Arabs in a Jewish quarter in Damascus, killing one Arab and seriously wounding the other.

The newspaper report alleged that Sassoon confessed to the police that he deliberately aimed to kill the two "because he thought they were Arab *fedayeen*."

An estimated 3,000 Jews still remain in Syria, most of them living in Damascus or Aleppo.

YUNIS IN EUROPE

ROME, Monday (UP). — Mahmoud Yunis, head of the Egyptian Suez Canal Authority, left here today for Zurich after a few hour's stay.

The Egyptian Middle East News Agency said at the time of his departure from Cairo that Yunis was on a European tour to sign contracts with engineering firms for the improvement of the Canal.

West Says Soviet Plan 'Important'

LONDON, Monday (UP). — The West told Russia today that it considers the latest Soviet disarmament proposals "an important move towards agreement on a partial disarmament treaty."

The Western reaction was made at the resumption of the five-power U.N. Disarmament Sub-Committee talks here.

Three Die In Negev Accident

BEERSHEBA, Monday. — Three persons were killed this morning when a loaded truck, apparently out of control, smashed into the mountainside at Km. 118 on the Eilat road. The truck was wrecked.

The three dead were all in the driver's cabin.

The driver was identified as Benjamin Katz, 38, of Ramat Gan. The other two were hitchhikers.

The bodies were taken to the Institute of Forensic Medicine at Abu Kabir.

Though the investigation is still incomplete, police believe that the brakes of the truck, a G.M.C. Diesel, failed to function when the vehicle began descending into Wadi Ramon. The truck's load of tab barrels, jarred loose by the force of the impact, rolled on top of the cabin, crushing its inmates.

It took a crew of 20 rescue workers using an acetylene torch and two vehicles several hours to pry the cabin apart and extricate the bodies.

Katz was part-owner of the truck. One of Beersheba's first citizens, he moved to Ramat Gan a year ago.

He leaves a wife, at present on a visit to England, and a daughter.

CRASH VICTIM DIES

BEERSHEBA, Monday.—Dov Lifshitz, 48, who was severely injured in a road accident on the Sdom road on May 31, died of his injuries yesterday at the Hasharon Hospital in Petah Tikva.

Haim Ariav, M.K., Dead at 62

TEL AVIV, Monday. — The funeral of Haim Ariav, a Deputy Speaker of the Knesset and leading member of the General Zionist Party, was held today.

Mr. Ariav died last night at the age of 62 after a heart attack at the Donolo Hospital in Jaffa.

The funeral cortege which left from the Hadassah Hospital, included many Knesset Members, among them the Knesset Speaker, Mr. Y. Sprinzak, and his deputies. Eulogies were delivered by Mr. P. Bernstein, M.K., head of the General Zionist Party, and by Mr. M. Grossman, member of the Jewish Agency Executive, at the General Zionist building, where the procession stopped for a few minutes.

The funeral then proceeded past the Farmers House to the Nahlat Yitzhak Cemetery.

The afternoon session of the Knesset yesterday was cancelled as a mark of respect and the flag on the Knesset building was flown at half mast. At the opening of the evening session, Mr. Ariav was eulogized by Mr. Sprinzak, Mr. Bernstein, Mr. David Hacohen and the Minister of Justice, Mr. Pinhas Rosen.

The next name on the General Zionist Knesset list is that of Mr. Jacob Klebanoff, a Haifa lawyer who was a Member of the First and Sec-

(Continued on Page 3, Col. 2)

Two Lebanese Ministers Go; Rap Elections

Two Ministers in Premier Sami Solh's Cabinet resigned yesterday in protest against the way Lebanon's elections are being conducted, U.P. reported from Beirut.

Ministers of State Youssef Hitti and Mohammed Ali Beyhum, who were in charge of the elections which will end on June 30, announced their decision to Solh, who accepted their resignations.

No specific reason for their dissatisfaction with the conduct of the elections was given.

Hitti and Beyhum were the two "neutral" Ministers appointed to the Cabinet to pacify the opposition groups following the riots and strikes on June 2.

Following the second instalment of the elections on Sunday, Government supporters have already secured a majority in the new Parliament. With only 24 of the 66 seats in the House to be decided, Solh's party is already assured of 35 votes, the B.B.C. reported in its Arabic broadcast yesterday.

Last Sunday's polling in the Mount of Lebanon district, in which 20 seats were contested, resulted in an overwhelming victory for pro-government groups, with only one victory for the opposition.

The previous Sunday's elections in the Beirut and South Lebanon districts returned 15 government supporters, four opposition candidates, and three independents.

The remaining 24 seats will be decided in the Bika'a and North Lebanon districts on June 23 and 30 respectively.

Thirty people were killed yesterday and more than 100 wounded in the north Lebanon village of Zogharta when supporters of two rival clans, the Fragiyeh and the Darweish, opened fire on each other.

There was no apparent connection between the clash and yesterday's elections in the Mount Lebanon district, as claimed in earlier reports.

Several hundred troops were rushed to the spot to restore order and the Lebanese Cabinet has ordered an inquiry into the incident, according to Damascus radio.

1,318 'Approved' Candidates Listed for Egyptian Elections

CAIRO, Monday (Reuter). — A list of 1,318 approved candidates for the 350 seats in the first Egyptian National Assembly was published in Cairo today, marking the opening of the campaign for next month's elections. Five of the candidates are women.

The candidates, all nominees running under the single National Union ticket, were chosen from 2,528 people who registered themselves for election. They were selected by a committee under the chairmanship of Abdul Nasser and including three Ministers — Zakaria Mohi e-Din (Interior), Major-General Abdel Hakim Amer (War) and Abdul Latif Baghdadi, (Municipal and Rural Affairs).

All members of the Cabinet, except General Abdul Hakim Amer and Foreign Minister Mahmoud Fawzi, are included in the list of candidates. The Minister-candidates are included among the 63 unopposed candidates who are considered automatically elected to the Assembly.

Elections for 283 seats will be held on July 3, and elections in five constituencies where all the candidates have been eliminated by the committee will be held after the Assembly holds its first session on July 22.

Opponents to Nasser's two brothers were left in the race. In the Ibrahimieh district, Alexandria, schoolteacher Shawky Abdul Nasser was running against an engineer. In the Labban district of Alexandria, newspaperman Elleissy Abdul Nasser was running against a student chemist.

No official figure has ever been given for the number of persons, such as old party leaders and imprisoned communists, who were barred from even applying to run before the National Union was formed. Some unofficial estimates place the figure as ranging from 7,500 to 1,300.

MEIR SEES RUNDALL

Sir Francis Rundall, the British Ambassador, was received yesterday by the Foreign Minister, Mrs. Golda Meir. This was their second meeting in a fortnight.

They discussed current affairs, it was reported.

Greeks Watch Soviet Navy Movements

LONDON, Monday (INA). — The "Daily Telegraph" reported from Athens today that the Greek Navy was keeping watch on the movements of Soviet naval units in the Mediterranean. The Greek authorities believe the Russian ships will sail eastwards towards Syria or Egypt.

From Istanbul, the "Telegraph" reports that the appearance of Soviet submarines in the Eastern Mediterranean and the announced passage of warships through the Dardanelles later this week are regarded there as a show of strength in retaliation for the visit to Turkish Black Sea ports by British warships.

MAC Chief Probes Faktory Murder

TIBERIAS, Monday. — The new Chairman of the Syrian-Israel Mixed Armistice Commission, Lt.-Col. S. P. Moe, yesterday personally investigated the killing of Misha Faktory, a Water Authority engineer who was shot by a Syrian sniper yesterday.

He also gave orders to U.N. observers in Syria to continue the investigation on their side of the frontier.

The Norwegian officer, who took over the chairmanship of the M.A.C. at the beginning of this month, also visited the demilitarized zone on the Syrian frontier. He was briefed on current M.A.C. problems by the Israel delegate to the Commission, Ravseren S. Tefner.

Faktory was buried today at Kfar Giladi. The funeral cortege proceeded from the Poria Hospital, near here, to the kibbutz shortly after noon.

He was eulogized by his father, his son and a representative of the Water Authority.

According to a police report of the incident, Faktory was a leader of a group of Water Authority employees which had gone to collect samples of Jordan water for tests. They were escorted by four policemen.

Faktory was shot when he left the party to go back and fill one last bottle.

Nuri Quits as Premier; Ayoubi to Head Cabinet

No Change in Baghdad Policy

BAGHDAD, Monday (Reuter). — General Nuri e-Said does not wish to continue in office for health reasons, and King Faisal has asked Senator Ali Jawdat Ayoubi, 81-year-old "elder statesman," to form a new cabinet, it was announced here today.

Nuri e-Said, 69, tendered his resignation nine days ago, but observers interpreted this as a mere formality heralding a Cabinet reshuffle and predicted that he would return as Prime Minister in a reformed administration.

Earlier today, Nuri e-Said was reported to be planning to leave for Europe on June 20 for a medical check-up.

Jawdat Ayoubi has been Prime Minister several times and has also held the posts of Foreign Minister, Ambassador to the U.S. and Minister to Britain.

During the First World War he took part in the Hejaz campaign with Emir Faisal and later commanded the Arab army which conquered Damascus and Aleppo.

Rifai Hopes to Heal Rift with Egypt

The Jordan Government hopes the circumstances which led to its action in closing its Cairo Embassy on Sunday "will vanish soon," according to Foreign Minister Samir Rifa'i in Amman yesterday, according to Reuter.

In announcing the decision to close the Embassy and withdraw its staff on Sunday, Rifa'i said it was a counter to Egypt's expulsion of the Jordan Ambassador, Abdul Mun'im Rifa'i, but did not mean that diplomatic relations were broken off.

Meanwhile, Damascus Radio reported last night that the Lebanese Government has approved the appointment of Abdul Muni'm Rifa'i as Ambassador in Beirut.

The Old City newspaper "El Jihad" fired a strong editorial broadside at the Nasser regime. It accused Egyptian attaches in Arab states of planning conspiracies, assassinations and the overthrow of governments "to please their Communist masters."

In a comment on the Egyptian elections to be held next month, "El Jihad" urged the Egyptians to "refrain from electing military officers and oppressors who serve the interest of the Soviet Embassy in Cairo."

"We urge our brethren in Egypt who are under the arrogant rule of terrorism to consider the malicious activities of their leaders and place the interest of the Arab world above any other interest when they go to the polls."

UNEF Returns Pipes Stolen by Marauders

Jerusalem Post Reporter

BEERSHEBA, Monday. — Irrigation pipes and fittings stolen by infiltrators from Kibbutz Mefalsim, on the Gaza Strip border, were returned to Israel yesterday by a Danish unit of the U.N.E.F. The pipes were handed over to Ashkelon police at the border check post near Kibbutz Erez.

The Danish officer told the police that his men had confiscated the pipes early Saturday morning from four Arabs seen crossing into the Strip from Israel.

Other thefts reported over the weekend from settlements on the Gaza Strip border included IL50 worth of tools from a power shovel near Nitzanim, 2,500 empty grain sacks from Kibbutz Kisufim and 15 irrigation pipes and seven tons of fertilizer from Kibbutz Ein Hashlosha. In every case, tracks were found leading across the border.

The fertilizer was apparently stolen in the course of several nights, with the aid of a donkey. It is estimated that the thieves made at least 20 trips to and from the frontier, a kilometre from the kibbutz.

Boy Dies of Snake-Bite

TIBERIAS, Monday. — Six-and-a-half-year-old Hassim Halil of Migdal died today after he was bitten by a poisonous snake.

Internal Tension Soars in Syria

Tension is increasing dangerously between the elements which support President Shukri el-Kuwatly on the one hand and left-wing military circles on the other, the Jordanian press reported yesterday. It said the situation was fraught with danger.

"El Jihad" reported from Damascus that "general disapproval" was felt about Defence Minister Khaled Azem's declarations concerning Saudi Arabia and Jordan. Azem told a news correspondent last Saturday that King Saud's visits to Baghdad and Amman were "a sign of active cooperation with American policy prompted by the desire to receive American funds." He also said that Jordan did not merit the aid postulated in the Arab Solidarity Pact.

Meanwhile, Baghdad Radio last night quoted an official Saudi comment on Azem's declarations. The Saudi spokesman charged that it was obvious that what incensed Azem most was the reconciliation between King Saud and King Hussein. He said Azem considers this "a crime on the part of King Saud" because "he would like to see the Arab countries torn by differences — a situation which would be to his liking."

The spokesman added that never before had such an onslaught on Saud been made except by Communists, and he accused Azem of being the servant of Communism and its spokesman in Syria.

Deny Report of Split In Saudi Royal House

DAMASCUS, Monday (UP). —The Saudi Arabian Embassy here yesterday denied press reports of a split between King Saud and his brother, Crown Prince Faisal. Saudi Arabia's Premier and Foreign Minister.

The report, carried by the Damascus left-wing daily "Al Raai Alaam", said Faisal had left the country with his family — except his eldest son, Interior Minister Prince Abdulla. Rumours said Abdulla was arrested three months ago, the paper declared.

The Saudi Embassy statement described the report as "baseless" and said Faisal went to the United States for medical treatment.

No Threat Seen In Saudi Troop Moves

Post Diplomatic Correspondent

Official quarters in Jerusalem last night saw no danger in the reported move of Saudi Arabian troops to the Jordan-Israel border.

It was not felt that there was any intent on the part of the Saudis to menace Israel. Since the move was made to bolster Jordan's security on the Syrian border, the troop concentrations there did not constitute a danger.

It was not believed that in any case the number of soldiers involved was large, and even if they were some Saudis on the Israel border where it meets Syria and Jordan, they could not be of threatening proportions.

Official comment on the latest Saudi move contrasts with the Israel view on the threatened dispatch of Iraqi troops into Jordan last year, when Israel took a serious view of the situation and intimated that she might be forced to move to the Jordan River should the *status quo* be altered.

MISSING GIRL FOUND DEAD IN CESSPIT

TIBERIAS, Monday. — An 18-month-old girl was found dead in a cesspit in the neighbourhood of Hatzor, at 10.30 this evening, five hours after a search for her had been instituted.

The police report there were no signs of violence on the child.

The girl had disappeared from her home in Moshav Hatzor, near Rosh Pina, during the day.

We take pleasure in inviting you to a Reception in honour of Visiting Tourists from Abroad Tomorrow, Wednesday at 8 p.m. at the Farband Hamlin House, 26 Rehov Weizmann, Tel Aviv

Greetings by representatives of the Histadrut and Ministry of Defence.

★ *Special feature — presentation of the new coloured film:*

"Eilat—The South Window"

A hearty welcome is hereby extended to our loyal friend and patron

Rabbi Dr. & Mrs. H. Lemle

of Rio de Janeiro
upon their present visit to Israel.

May they enjoy a long happy, healthy life, for all their devoted help to the hundreds of orphans of the Home.

The Directors,
General Israel Orphans' Home for Girls,
JERUSALEM, Israel.

We deeply regret the tragic death of

MISHA FAKTORY

Engineer - Hydrologist of the Eastern and Lower Galilee who was killed while carrying out his peaceful duties in the upbuilding of his country.

Our sincerest condolences are extended to the bereaved family.
We shall never forget him.

The Hydrological Service
Water Authority
Ministry of Agriculture

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Social & Personal

The President yesterday received the Prime Minister, Mr. David Ben-Gurion. Mr. Ben-Zvi also received the Foreign Minister, Mrs. Golda Meir.

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The Foreign Minister, Mrs. Golda Meir, on Sunday entertained the Prime Minister and Mrs. Ben-Gurion to luncheon. Yesterday, Mrs. Meir received the Editor of the Chicago "Daily News," Mr. Basil Walters.

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The Knesset Speaker, Mr. Yosef Sprinzak, yesterday received the Canadian Charge d'Affaires, Miss Margaret B. Meagher, who also visited the Hebrew University, where she was received by the President, Prof. B. Mazar.

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Mr. James Marshall, Chairman of the Board of the American Friends of the Hebrew University, was the guest of honour at a luncheon given by the President of the University, Prof. B. Mazar, yesterday. Mr. Isadore Hamlin, Executive Assistant of the Jewish Agency in the U.S., visited the University yesterday and was received by Prof. Mazar.

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Dr. Dov Joseph, Treasurer of the Jewish Agency, yesterday received Mr. Philip Zinman, active leader of the Israel Bond Drive and U.J.A. in Camden, New Jersey, at his offices in the Jewish Agency. In the afternoon, Mr. and Mrs. Zinman were guests at the home of Mr. Shlomo Eisenberg to tea. Mr. Eisenberg is the General Secretary of the Jewish Agency. In the evening, Mr. Zinman met with Mr. Y. Eilam, Director-General of the Ministry of Labour.

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Mr. M. Begin, M.K., has resigned from his post as Commissioner of the World Betar Movement which held the last session of its convention on Sunday night. Mr. Ptahia Shamir was elected secretary of the Betar command.

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Professor Yehoshua Prawer has been appointed Chairman of the Pedagogic Secretariat in the Ministry of Education as from July 1. The Secretariat is responsible for supervision of school curricula. Dr. Prawer has been given a two years' leave of absence from the Hebrew University, where he lectures in Medieval History.

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Mr. David Clayton, one time columnist of "The Palestine Post" (under the pseudonym "Micky Finn"), is visiting Jerusalem and staying at Pension Grete Ascher.

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Mr. Eliashiv Ben-Horin will lecture (in Hebrew) on "China and South East Asia," under the joint auspices of the Israel Oriental Society at the Hebrew University and the B'nai B'rith Hillel Foundation, at Hillel House, at 8.30 p.m. today.

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MEMORIAL MEETING

A memorial meeting was held at Kibbutz Gesher Haziv yesterday for 14 Palmah members who fell 11 years ago during the dynamiting of the bridge (after which the settlement is named) in protest against the Mandatory Government's policy.

Modern Annie Oakley Holds Up Police

NEWTON, New Jersey, Monday (Reuter). — An attractive 20-year-old girl who said "I hate all cops" invaded the police station in this mountain town yesterday with a 12 gauge shotgun.

She demanded that the desk sergeant produce Charles Young, a policeman who had arrested her a month ago for driving past a stop light. The desk sergeant, William Knoll, recognized her as Vivian Masters, known locally for her skill at desk shooting.

"Why Vivian," he said, "what are you doing here at this hour with a gun?" It was 1 a.m. "Don't touch anything," he said she replied, "or I will blow your brains out."

He said no amount of reasoning would dissuade her from having him call Sgt. Young to the police station.

Then two other policemen called in to report a burglary at a garage. Sgt. Knoll spoke a code signal which called patrolmen back to the station. Policeman Anthony Deta was the first out of the car and into the station, but Miss Masters slung the shotgun at him and ordered him to drop his holster.

Then policeman Clarence Friedland rushed in. While the girl turned to cope with him, Sgt. Knoll grabbed the shotgun. It contained three shells.

Miss Masters was locked in a cell at the county jail under a 24-hour guard. A prosecutor said formal charges would be made against her today.

THE FRIENDS of Choral Music, under the directorship of Dr. Felix Sulman, are giving a performance of Handel's oratorio "Acis and Galatea" at the Israel Touring Club on Friday, June 21, at 4.15 p.m., under the auspices of Hovevei Yerushalayim.

LAW REPORT

The Jerusalem Post June 18, 1957

In the Supreme Court Sitting as Court of Civil Appeal

Before Justices Goitein, Landau and Witkon.

The Attorney-General v. Naomi Dolanski (C.A. 20/56)

Pay May Not be Deducted from Striking Laboratory Worker's Salary

The Supreme Court dismissed an appeal against a judgment of the Tel Aviv District Court, delivered on December 20, 1955 (in C.C. 520/55.)

The respondent, Naomi Dolanski, a Tel Aviv bacteriologist employed by the Ministry of Health, took part in the strike for higher salaries of Government laboratory workers in August, 1954. She was absent from work for a total of 12 days, excluding Saturdays. The Civil Service Commission ordered six of these days to be deducted from her annual leave and the other six days to be regarded as leave without pay.

The respondent objected, claiming that, in accordance with the provisions of the Civil Service Regulations, all 12 days should have been deducted from her annual leave, 20 days of which had still been due to her at the time of the strike.

Regulation 11(a) of the Service Regulations, which appears under the heading "Disciplinary Measures Against Employees who do not observe strict hours of work," states that:

> If a Government employee is absent from work for a whole day without previous permission, whether he subsequently produces a reasonable excuse for his absence or not, a day will be deducted from his annual paid leave. If any leave is still due to him. In the event of no leave being due to him, then the day's absence will be regarded as leave without pay. In addition, his immediate superior may warn him in writing or may recommend that the Director-General of the Ministry reprimand him if his behaviour warrants such action. If such steps fail to have the necessary effect, then the employee's immediate superior may bring him before a disciplinary court or enquiry committee.

Judge Malchi of Tel Aviv District Court granted the respondent a declaratory judgment to the effect that all 12 strike days should have been set off against her annual paid leave.

The Attorney-General appealed against this decision on behalf of the Minister of Health and the Civil Service Commissioner. Mr. Bar-Or, Tel Aviv District Attorney, appeared on behalf of the appellant and Mr. Ritterman on behalf of the respondent.

Judgment

Justice Landau, who delivered the judgment of the Supreme Court, Justices Goitein and Witkon concurring, said that, as both parties had agreed that, for the purpose of this appeal, the Service Regulations should be regarded as a contract of service between the Government and each individual employee, he would consider the problem purely on the basis of the articles without laying down any general rule as to their content or as to the status of a public servant from the point of view of administrative law.

He then went on to consider Mr. Bar-Or's argument that the strike had automatically terminated the relationship of service between the Government and the respondent and that if the latter had returned to work after the strike she had done so on the basis of a new agreement of service.

In dismissing this argument, Justice Landau said that, in accordance with the law of contract, an employee must be prepared to carry out the duties laid down in the terms of agreement and any failure to do so may be considered a breach of the agreement — which gives the employer the option of voiding the agreement or regarding it as still valid, despite the breach. This general principle need not, of course, be applied if the parties to the agreement expressly provide otherwise or if the legislator provides to the contrary by law. In addition, the competent minister is entitled to regard participation in a strike as a breach of discipline on the part of a civil servant and dismiss him on the basis of the powers given him under Article 15 of the Order-in-Council (see H.C. 254/51, P.D. 6/1192).

In the present case, however, Justice Landau continued, none of these latter criteria apply. There is no relevant provision in the contract of service, there is no law allowing of the ignoring of the general contractual principle, nor did the Minister of Health or the Civil Service Commissioner (the employer in the present case) show any intention of voiding the agreement or of dismissing the strikers. The only sanction applied was the deduction of part of the strike period from the annual paid leave and the other part from the strikers' salaries.

Articles Taken Literally

Justice Landau then turned to Mr. Bar-Or's second, and main, argument: that the absenteeism referred to in Article 11(a) does not include striking. A decision on this issue depends, he said, on the interpretation of the Service Regulations which, in accordance with general principles, must be taken literally, and if their meaning be clear no further elucidation may be sought from the intentions of the draftsman.

He then proceeded to analyze the relevant regulations and concluded that, despite the fact that they came under the heading of "Disciplinary Measures Against Employees who do not observe strict hours of employment," — which might give rise to the thought that they referred more to the civil servant who was not sufficiently punctilious and careful about his attendance rather than to the civil servant who deliberately absented himself — they nevertheless included all cases of absenteeism for any reason whatsoever.

As to Mr. Bar-Or's further argument that section 425 of the Mejelle (which lays down that if an employee declines to work during the period for which his services were hired, then he is not entitled to his wages) may be applied as an alternative to the disciplinary measures laid down in Regulation 11(a), the answer to it is, Justice Landau said, that the parties to an agreement may agree to terms which are in contradistinction to those laid down in section 425 — which is exactly what had happened in the present case, it being completely irrelevant that Regulation 11(a) comes under the heading "Disciplinary Measures" as it also deals with the effects of absenteeism on the employee's salary.

Appeal dismissed with IL75 costs.

Judgment given on May 31, 1957.

Mayer Wins U.S. Golf "Open"

TOLEDO, Monday (Reuter). — Dien Mayer, with 72 against 79, beat Cary Middledoff, the holder, in their play-off yesterday for the United States "open" golf championship.

'Times' Challenge To 'Pravda'

NEW YORK, Monday (Reuter). — A letter from a Russian housewife in Leningrad named Madame N. A. Hopytakaya, which appealed to the mothers of America to "go out in the streets with slogans demanding a halt to nuclear arming and of the testing of nuclear weapons," was printed in the "New York Times" yesterday and was answered by that newspaper today.

The "New York Times," in commenting on its open letter to Madame Hopytakaya, said it would be interesting to see whether "Pravda" would print it as the "Times" had printed hers.

The letter to the Russian woman which appeared as an editorial said, "Dear Madame Hopytskaya, yesterday, this newspaper appeared with your letter printed in a prominent position. No word or idea you expressed was omitted or distorted...

"It is clear you have very wrong ideas about us. The American Government is elected by democratic vote. It represents our wishes and our aspirations. We desire peace and therefore our Government desires peace. Anything you have been told to the contrary is a lie."

After stating that the United States had hydrogen bombs and planes and bases because "we fear what your Government would do if we had no adequate defence," the "Times" reminded Mrs. Hopytakaya that the mothers of Leningrad were not the only ones who had suffered through war.

It said that the mothers of Finland, Korea, and Hungary had also all suffered in recent years through Soviet or Soviet-inspired aggression.

"Against this background may we suggest that there are slogans with which you and other Soviet mothers should go out in the streets of your cities," the letter continued. "Why do you not demand an end to the Soviet iron curtain which permits your rulers to keep you so cruelly deceived of what the world is really like?

"Why do you not demand a democratic Soviet Union really ruled by the Soviet people and not by a handful of Communist Party bosses?"

TO TEACH PHILOSOPHY AT UNIVERSITY

The Hebrew University has appointed Dr. Pepita Haezrahi as Lecturer in Philosophy. Dr. Haezrahi, who was born in Czernowitz in 1921, holds the M.A. degree of the Hebrew University and the Ph.D. of the University of London. For the last three years she served as Research Fellow in Philosophy at Newnham College, Cambridge.

USSR TRANSFERS SUBMARINES TO EGYPT

By arrangement with "Ma'ariv"

Yesterday's Press

Ata Arbitration Under Fire

Habokez (General Zionist) is critical of the behaviour of the Minister of Labour who, at one and the same time, has set himself up as arbitrator in the Ata dispute, is a member of the Committee of Six formulating the Histadrut's position, and has arrogated to himself the right to appoint an arbitrator in the matter of efficiency dismissals who will get down to work not later than a fortnight after the termination of the strike.

From the moment the Committee patched up the break between the Haifa Council and the Mapai leadership, the paper argues, Mr. Namir ceased being an arbitrator: he became a postman carrying the Committee's decisions to Mr. Moller. Yet he has not only failed to resign his position as a neutral party but even transmitted the Mapai Committee's decision to Ata under the seal of Government arbitration. This is glaring misconduct.

Hamodia (World Agudas) avers that it was a serious mistake to have the Minister's formula drafted by the Party Committee rather than by the Government which is studiedly evading being implicated in the need to decide on such a vital question. Matters would have been different if the articles had been drafted by the Government, for the workers would probably get their due and Mr. Moller would not hesitate to accept the decision. Those who would seek the end of the strike would have done better to behave in a manner bringing the maximum benefit and the minimum of complications.

Hatzofe (World Mizrahi) writes that the Minister's proposals open prospects for terminating the dispute. The workers are agreeable, despite the fact that they are called upon to make concessions, and this should impel the Ata director to agree to take them into consideration.

Davar (Histadrut) regrets that Mr. Moller has hurriedly rejected the compromise proposals, announcing that the Management would not even be convened to consider them. Hoping that this is not his last word, the paper adds that the workers have demonstrated their readiness to end the dispute and return to work and Mr. Moller should be eager to grasp this unusual opportunity to terminate the walk-out, which otherwise might take on a graver aspect.

Kol Ha'am (Communist) feels that the compromise is directed against the Ata workers, for the Namir recommendations have nullified their claims. Mr. Moller's pretended refusal to accept the recommendations is only a blind to force the workers into further concessions. The strike must go on, the paper says, until all their claims are satisfied.

The Soviet submarines on the way to Egypt, writes **Lamerhav** (Ahdut Ha'avoda) cast a heavy shadow on the peace efforts of the Soviet leaders. They will cast anchor off Egypt, help the Egyptians tighten their blockade against Israel shipping and intensify the Israel-Egyptian dispute. Is that what Moscow means when it talks about global peace?

Chinese Communists Leaving Tibet

HONG KONG, Monday (Reuter). — Communist China has decided to withdraw most of its Chinese personnel from Tibet and send them to other parts of the country, Peking Radio reported today.

The decision was made yesterday in Lhasa by the Standing Committee of the preparatory committee for the autonomous region of Tibet. It followed Press reports that the Communist regime was facing a serious food shortage in Tibet.

The personnel were sent to Tibet to help in government administration as well as construction work.

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Inquiries: Mr. F.L. Rochat, Swiss Legation, Tel Aviv, daily except Saturdays and Sundays. Tel. 66699.

At the Cinema

"THE Proud and the Profane" (Zion, Jerusalem) presents Debora Kerr at her worst as a girl who makes too much fuss about the normal occupational risks of a Red Cross Girl in war time. William Holden, as a colonel in the Marines, convinces one neither of his toughness nor of his inferiority complex. What remains is a nice film about all the good done by the American Red Cross, which was really overdue after films featuring every conceivable branch of the U.S. armed forces.

Exciting Battle Scenes

"GRAF Spee" (at the Orion, Jerusalem) is again one of those film glorifying the enemy that the British enjoy so much. Its stars are the fighting ships and the battle scenes are among the most exciting ever screened. When the action shifts to Montevideo, a misplaced comic touch is applied. We refuse to believe that the President of Uruguay always receives callers in full evening dress and that the French Ambassador appears on such occasions without a tie and with a red cummerbund.

T.A.F.M.

Cinemas

JERUSALEM

At 3.30, 7 and 9 p.m.

ARNON: Behind the High Wall.
EDEN: Ransom.
EDISON: Best Polish.
ORGIL: The Ambassador's Daughter.
ORION: The Battle of the River Plate.
ORNA: Love Me Tender.
RON: "Soli Per le Strade."
SEMADAR: King Richard of the Crusaders.
STUDIO: The Lavender Hill Mob.
ZION HALL: The Proud and the Profane.

TEL AVIV

At 4, 7.30 and 9.30 p.m.

ALLENBY: Istanbul.
ARMON DAVID: Bellissima.
CHEN: A Town Like Alice.
EDEN: Malagueña Star of Rio.
ESTHER: High Society.
DAN: We Want a Child. Matinee: The Black Plague.
MIGDALOR: "Mademoiselle de Paris."
MOGRABI: Anastasia.
ORION: Dumja.
OPHIR: War and Peace.
SHDEROTH: The King and I.
TAMAR: The Brave One.
TCHELET: The Caddy.
YARON: Don Juan.
ZAFON: "Bonnes a Tuer."
ZAMIR: "Tempo Nostri."

HAIFA

AMPHITHEATRE: Teenage Rebel.
ARMON: Richard III.
EN DOR: "L'Heroique Monsieur Boniface."
GAL OR: Payment on Demand. Matinee: Fighting Men in the Plain.
MAY: Pete Kelly's Blues.
ORAH: Vertice.
ORLY: The Importance of Being Earnest.
ORION: Trapeze.
MORIAH: Moby Dick.
PEER: "Maison de Rendez-Vous."
TCHELET: Pillars of the Sky.

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Stocks and Commodities

Oils Shares React in Tel Aviv

THE boomlet in Israel Oil Prospectors shares proved very short-lived and the news that so far the second layer has not yet been found brought prices down to between IL12.250-IL12.500 a share on the Tel Aviv "curb" exchange. Also Naphta shares were easier at IL1.550-IL1.600. Jordan Exploration remained steady throughout the week at around IL1.800.

In New York similar developments took place. A slight improvement in the Pan-Israel Oil and Israel-American Oil, with the former being quoted among the most active shares on the American Stock Exchange, was followed by a withdrawal to approximately pre-Bror levels.

On the Stock Exchange itself, Co.I.L. index linked securities were particularly favoured and their prices advanced by 1-2 points. The May index rise of five points has, however, not had a full impact on the market, since all these index-linked securities remain well below the value of their adjustment to the 270-point index. This is explained by the statement that ways and means would be found to bring the June index down considerably. Dollar-linked bonds were rather neglected with the exception of Tavel Dollar, which advanced during the past week by one point.

The Finance Minister's statement that facilities would be granted retroactively as from April 1, 1955 for the revaluation of assets, have so far hardly at all influenced the equities market, though this step, which will in future recognize the real value of investments for depreciation purposes as against the "historic value," should prove of utmost importance to industry.

In other sections prices were steady with Palestine Cold Storage (IL10.- shares), Palestine Potash and Delek down by some two points and Moller, Textile and Assis somewhat harder. Ata and Kurdanah remained practically unchanged. The five-percent Debentures of the Dead Sea Works Limited were officially introduced on the market on Sunday and quoted at 258 ex coupon due 30.6.57.

By arrangement with
I.L. Feuchtwanger Bank Limited

Tel Aviv Stock Market

JUNE 17, 1957

Pop. Loan 1949/49 (IL10)	94
6% Comp. Loan 56/57	732
2½% Comp. Loan	66
3½% War Loan 54/55	85
Pal. Bearer Bds. Ser. 3	91½
3½% Tavel Dollar x)	792
Def. Loan Bonds f)	99½
4% Reg. Sterling "A"	93½
4% Def. Bonds f)	98½
3½% Def. Bonds g)	90
4½% Loc. C. Debs. f)	99
4½% Loc. C. Debs. g)	100½
Pal. Elec. prod. sh. (IL5n.)	260
6½% Bonds 57/64 f)	105½
ditto g)	114½
Koren Hayesod	
6½% Deb. 52/62 f)	101½
ditto g)	108½
Igroth Ltd.	
6½% Deb. 52/62 f)	100½
Bassco 6½% Deb. 52/64	
Class "A" f)	101½
Class "B" g)	100
Bk. Leumi ord. sh.	151
Bearer Savings Cert. '50 p	99½
A.F.B. Investment	
4½-5% Conv. Deb.	73½
Ord. sh. 'B' reg. d)	95½
Gasit ord. sh. 'B' reg.	84½
Elite's Inv. ord.	147
Gen. Mtg. Ins. ord. sh.	78½
Rizpy 6% debs 52/62	83½
Nir 5% pref. sh.	83
Frass 6% debs. 60/64 reg.	76½
"Inva" 5% debs.	73½
Afr. Pal Inv. ord. sh.	89
I.L.D.C. ord. sh. reg.	76
5 % debs.	72
Bassco 6% pref ord. sh	88½
Ata ord. "B" sh.	87½
6-6% con. debs.	85
"Kardanah" ord. "B"	89
7% con. debs. 52/62	79½
Moller-Dan ord. sh. reg.	850
Pal.-Brewery 5% con. debs	83
Assis Bajarano "B" sh	90
Nesher 6% debs. "A"	117
Pal. Potash "A" ord. Sh.	695
"Teva" ord. Sh.	894
Pal. Cold St. ord. sh. reg.	180
Delek Ord. sh. "C"	90
Pal. Centr. 5% debs.	99½
Mekorot pref. sh.	725
Jordan Exploration Co. Ord. Sh. reg.	180

Notes: a) purchaser price: b) selling price: c) ex coupon: d) ex-dividend: e) ex-right: f) linked with $: g) linked with Co.I.L.: x) 1% of IL1.000.

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APPLICATION FORMS may be obtained at the information desk of the Ministry of Foreign Affairs, or by writing to the Ministry's Personnel Division, Jerusalem, by July 15, 1957.

THE CIVIL SERVICE COMMISSIONER

ON THE AIR

FIRST PROGRAMME

322, 249, 33.3 & 43.9 M.

News: Hebrew: 6.35, 7.00 a.m., 1.30, 5.00, 7.00, 9.00, 11.00 p.m. **English News:** 1.45 p.m. **French:** 2.00 p.m. **Arabic Programme** (including News): 7.30 a.m. 2.15, 6.00 and 11.08 p.m.

6.30 a.m. Service. 6.37 Exercises. 6.47 Musical Clock (R). 8.30 Close Down.

12.00 Light Music. 12.40 Vocal Recital by Zafrira Yarkoni (Soprano). Songs by Brahms & Beethoven. 1.00 Lunchtime Music: Jane Powell (Vocalist). 2.00 Close Down.

5.05 "Musical Interlude." 5.10 Tora Lesson by Dr. N. Leibowitz. 5.30 Youth Corner. 7.15 We Present Tonight. 7.18 "Ron Ami." 7.35 Hebrew Language Corner. 7.50 "Parents & Children" — Beis Bar-Ilan. 8.15 Noah's Ark. 8.35 Bible Reading: Yirmiyahu, Chap. 7. 9.15 Concert by the Kol Yisrael Orchestra. Conductor: Heinz Freudenthal. Soloists: Natan Duesterwald (Flute), Devorah Harrison (Violin); Dan Ferry: Suite No. One for Orchestra (First Performance); Quantz: Flute Concerto. Lalo: Symphony Espagnole for Violin and Orchestra. 10.45 "The Week at U.N." 11.15 Close Down.

SECOND PROGRAMME

422, 400, 225, 41.9 & 32.3 M.

French News: 9.50 p.m. **English News:** 10.00 p.m.

IMMIGRANTS' HOUR: 6.00 Ligh Music. 6.30 Excerpts from Operas by Rossini. 7.00 Hebrew-Yiddish Lesson. 7.15 News in Easy Hebrew. 7.30 Yiddish. 8.00 Rumanian. 8.15 Hungarian. 8.30 Ladino. 9.00 Interval. 9.15 Mograbit. 9.30 French. 10.15 Close Down.

KOL ZION LAGOLA (32.3 M.): Programme to South Africa: 6.00 News Headlines. 6.01 Yiddish News. 6.06 David Halpern, tenor. 6.15 "South Africans in Israel." 6.30 News.

Programme to U.K.: 12.00 News. 12.15 Music in Our Land. 12.30 Easy Hebrew Conversation. 12.45 "Between Man & God."

ARMY PROGRAMME (41.6, 216, 225 & 228 M.): 6.30 Opening. 6.35 Songs. 7.00 News. 7.10 "Bow & Arrow." 7.40 Pleasant Tune. 8.00 Subject: Regime & Discipline. 8.15 "Noah's Ark." 9.00 News. 9.15 "Musical Dessert." 9.45 Interlude. 10.00 Dance Music. 10.30 Close Down.

B.B.C. HEBREW BROADCASTS (16.78, 19.42 16.84 and 21.15 M.): 7.30-8.00 p.m. News. News Talk. Jewish Commentary. Letter from London.

EMERGENCY PHARMACIES

JERUSALEM: Givaut, 1 Harav Harlap, Kiryat Shmuel, 53676. TEL AVIV: Kohlberg, 23 Allenby, 28336. Monopolel, 25 King George, 62360. Michlin, 112 Allenby, 3258. Joffe, 172 Ben Yehuda, 24643. Baruch, Hatikva Qr., 67405. JAFFA: Laris & Bardkash, 73 Jerusalem Blvd., 82990. RAMAT GAN: Gramsa, 50 Bialik, 72873. PETAH TIKVA: Fishbein, 6 Hafetz Hayim. NATANYA: Geva. HOLON: Ribek, Struma Sq. REHOVOT: Barak, 155 Herzl, 208. HAIFA: Nordau, 13 Nordau, 4080. Pentagon.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. Grusswald, 22 Yehoshuk Bin Nun, 42961. Dr. Romanov, 11 Arlosoroff, 61217. Dr. Shor, 45 Rashi. TEL AVIV: Dr. Grifel, 5 Ben Yehuda, 23496. Dr. Shaham, 1 Syrkin, 25862. JAFFA: Dr. Weinberg, 4 Rehov 68. HAIFA: Dr. Sherman, 3 Hanevi'im, 3434.

Where to go

JERUSALEM

• **Exhibitions:—**
Permanent exhibition at the Department of Antiquities, 25 Rehov Shlomo Hamelech. New rooms: Prehistory and Israelite period. Educational exhibit: How to arrange small local collections. Special exhibits. New finds from tombs excavated in Jerusalem and from Ein Malahha, 9-1, 3-5.

Conquest of the Desert. Permanent Exhibition. Daily from 10-1, 4-6. On Friday from 10-1 only. Closed on Saturday.

1) Chagall's Etchings and Old Master Graphics on Old Testament themes; 2) Louise Schatz—32 watercolours; 3) Persian Miniatures, Bezalel, 9-1, 3-6.

1) 70th Anniversary Exhibition of Jacob Steinhardt and the sculptor Jacob Loew. 2) Paintings by Erich Brauer in the Jerusalem Artists' Gallery. Artists House, 10-1, 4-7.

• **Tours:—**
Hebrew University Conducted tour, 10 a.m. Administration Bldg., New University Campus. (Conducted tours in Hebrew Sundays and Thursdays, 11 a.m.)

• **Theatre:—**
Habimah, "Anna Frank." Edison, 9.

• **Lecture:—**
"Form and Substance." Prof. Y. Leibowitz. Beit Ha'am, 8 p.m.

• **Recorded Music:—**
Concert under the auspices of the Municipality and the Jerusalem Conservatoire, the Municipal Gardens, Rehov King George, 6 p.m.

TEL AVIV

Italian Specialities Lunch, Dinner, Soupe à L'oignon. Luky's Bar, 3 Allenby Rd. Tel 25782. Airconditioned.

For a Chinese lunch and dinner only Riksa, 3 Rehov Trumpeldor.

• **Exhibitions:—**
1) Paintings by Genia Berger. 2) Copper Reliefs by Arie Mercer. 3) "The French Book Exhibition." 4) Opening at 5.30 of Exhibition of iron sculpture by Yehiel Shamai. Museum, 10-1, 4-7.

• **Music Appreciation and Academic Circles:—**
I.O.A. House, 8.15 p.m.

• **Theatre:—**
Cameri, "Dream Girl." New Hall, 8.30.

Habimah, "Bnunit at Maomba," 8.30.

HAIFA

• **Exhibitions:**
Works by Chagall, Soutine, Modigliani, Pascin, Kisling. Fortnightly exhibit: Composition by Ella Raayoni. Municipal Museum, Town Hall, 10-1, 4-7.

• **Theatre:—**
Do-Re-Mi, "Three on an Island." Chen Hall, 7 Rehov Shabetai Levy.

BEERSHEBA

• **French Singing Ensemble:—**
"Les Compagnons de la Chanson," Keren.

KFAR SABA

Cameri, "No Time for Sergeants," Amal, 8.30.

KIRYAT MOTZKIN

• **Theatre:—**
Daigan and Schumacher, "Tomtev in der Wochen." Orot, 8.45.

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ENTRANCE EXAMINATIONS FOR ALL CLASSES & DEPARTMENTS will take place on Wednesday, July 3, 1957, at 8.30 a.m.

Technion-Israel Institute of Technology
EXTENSION DIVISION
Symposium on Operations Control in Management
Thursday, June 20, 1957 — 9.00 a.m. to 4 p.m.
at the Aeronautical Engineering Building
Technion City, Haifa.

Programme: *Lectures* by *Prof. E. B. Littauer*, Vice-President in charge of Academic Affairs of the Technion, and *Dr. P. Naor*, Senior Lecturer, Department of Metallurgy.

Panel Discussion with *Prof. Littauer, Prof. J.F. Cahen*, Head of Production Engineering Department and *Dr. Naor*. Panel Moderator: *Prof. J. Tubb*, Director, Extension Division.

Registration may be effected at the Technion Extension Division, P.O.B. 4910, Haifa. Tel. 63197 (Reg. Fee: IL5).

Irene Skorik — Prima Ballerina of the Paris Opera
Alexis Rassine — Leading dancer of Royal Sadler's Wells Ballet
Cy Grant — Calypso Singer
Rosalinde Fuller — Monodrama
David Kossoff — Cinema and Television Actor
Maria Andipa — Singer
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INDEPENDENCE	July 13	July 14	July 14	July 16	July 22
CONSTITUTION	July 23	July 24	July 24	July 26	Aug. 1

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Jerusalem	King David Hotel (Northern Annex)	P.O.B. 1357	Tel. 3451

Today's Postbag

The Weather

	A	B	C	D
Mt. Cana'an	49	14	28	29
Tiberias	40	20	33	34
Haifa Port	67	21	27	28
Natanya	62	19	28	27
Tel Aviv Port	75	19	26	27
Lydda Airport	65	14	30	31
Jerusalem	49	17	27	28
Beersheba	50	15	32	34
Sdom	42	20	33	35
Eilat	32	24	35	36

*A) Humidity at 9 p.m. B) Minimum temp. C) Maximum yesterday. D) Maximum temp. expected today.

ARRIVALS

Mr. Erich Gottgetreu, Jerusalem correspondent of the Associated Press, and Mrs. Gottgetreu, from a holiday in Europe.

Mr. Georg Schmidt, manager of the construction division of Swissair, Zurich, for a short business visit (via Mandelbaum Gate).

1,490 IMMIGRANTS arrived in Haifa in two ships yesterday... THE S.S. ALIYA brought 966 newcomers in the morning. They were sent to development areas... IN THE EVENING the s.s. Pace brought another 524 immigrants, who will come ashore this morning.

* * *

A SPECIAL CONVOY of six trucks yesterday carried building materials to Mount Scopus for the repair of the roofs of Hebrew University buildings on the Mount.

* * *

THE VALIDITY period of exit visas has been extended from three months to six months.

* * *

A POLICE post manned by a sergeant and six constables has been opened in Sdom.

* * *

AN ALLEGED hashish den was discovered by the police near the Jaffa seashore on Sunday night. A 30-year-old man, in possession of a matchbox containing hashish, was detained.

* * *

THE 20 TOP prizes in the Soldiers Welfare Committee's Independence Day lottery will today be distributed to the winners in a ceremony at the Committee's offices in Rehov Brandeis, Tel Aviv.

* * *

A SYMPOSIUM ON Operations Control in Management will be held at Technion City on Thursday. It is organized by the Technion's Extension Division.

4-Year Plan to Develop Industry

Jerusalem Post Reporter

A four-year plan for industrial expansion was yesterday presented to the Economic Advisory Council by the Minister of Commerce and Industry, Mr. P. Sapir.

The plan, which was prepared by the Ministry, calls for the establishment of 380 industrial enterprises and the expansion of 200, with a total estimated investment of about IL500m. during the four-year period ending in 1960. It envisages that 44,000 more people will be absorbed in industry, increasing its total labour force to 178,000.

Mr. Sapir explained that three main considerations had guided his Ministry in the preparation of the plan — the estimated increase in population, the development of industrial crops in agriculture and concentration on the production of export goods.

At a press conference in Jerusalem, Mr. A. Talber, Director of the Industry Division of the Ministry, explained that the next step in its implementation is the planning of the individual enterprises.

Investment in the metal industry is estimated at IL-147m., in textiles IL120m., chemicals, IL74m., crafts, IL-48m., food processing, IL39m., paper, IL30m., and in building materials IL15m.

Some IL62m has already been invested under the plan while it is estimated that investments this year will total IL100m., in 1958-59 IL160m., and in 1959-60 IL120m.

Of the total, IL86m. is for land and buildings, IL220m. for equipment, IL42m. for installations and IL106m. for working capital.

The new industries are expected to employ a total of 26,000 workers, of whom 2,800 will be skilled and semi-skilled, 1,000 with academic standing, 21,000 untrained workers and 900 clerical staff. Existing plants are expected to absorb 8,000 workers while 1,000 will be employed in crafts.

It is estimated that, as a result of the plan, the net national industrial product will rise by IL264m., an increase of almost 50 per cent on the present net product, which is estimated at IL438m.

The plan has been drawn up with special emphasis on the need for the dispersal of industry, and whenever possible new industries will be directed to development centres. It has already been decided to site textile plants in such places as Kiryat Gat, Kiryat Shmoneh and Ofakim. A Diesel factory is planned for Migdal Ashkelon.

The stress on the expansion of exports is reflected in plans for the expansion of the cement, tires and diamond industries.

As to financial sources for the implementation of the plan, it is hoped that both local and foreign investments will be available, although it is clear that Government funds will have to be used either by direct participation or by the provision of credit. Foreign exchange needs are estimated at about IL300m. (mainly for equipment). Part of this is to be provided by long-term foreign loans.

No Arbitration On Dismissals—Almogi

Jerusalem Post Reporter

HAIFA, Monday. — The Secretary of the Haifa Labour Council, Mr. Y. Almogi, M.K., today promised a meeting of striking workers of the Ata textile factory that the question of efficiency dismissals, one of the reasons for the walkout, would not be submitted to arbitration.

He told some 200 strikers that the Minister of Labour, or any other arbitrator, would have the choice of either recommending the possibility of dismissals under the terms of the present collective agreement with Ata or under conditions similar to the agreement between the Manufacturers Association and the Histadrut.

The Council is to hold a special meeting tomorrow to consider the Ata Management's refusal to accept the compromise proposed by the Minister of Labour. Representatives of the Ata workers will attend.

Meanwhile, it is learned that several workers' committees in Haifa will accept Ata men for work, with a view to finding jobs for all the strikers as soon as possible.

Three Stopped On Way to Petra

Jerusalem Post Reporter

BEERSHEBA, Monday.— The whole of the Arava was alerted last night and cars were stopped, while police searched for three young persons who were reportedly attempting to hike to Petra.

The three were found and taken into custody. One of them is from Mishmar David and two from Ramle, and their ages are 17-18.

T.A. Council Promises Care in 'Clochemerle'

Jerusalem Post Reporter

An order *nisi* granted against the Tel Aviv Municipality in connection with the erection of a public convenience in Masaryk Square was yesterday cancelled by the High Court after the Municipality's attorney, Mr. Z. Zilbiger, declared that "it was understood that the Municipality would do all in its power to prevent a disturbance in the place."

On the application of two residents of Bderot Masaryk, Mr. Baruch Yohanan, and Mrs. Shoshana Avani, an order *nisi* was given earlier this year requiring the Municipality to show cause why it should not be restrained from erecting a public convenience in Masaryk Square, on the legal ground that it had not received the confirmation of the District Town Planning Commission.

The Municipality will open the Masaryk Square public convenience within the next few days, the Council spokesman told The Jerusalem Post *last night.*

It is understood that the Municipality is to proceed with the building of conveniences at various points throughout the city.

At yesterday's hearing the Municipality contended that it required no authorization from the District Commission but only from the local Commission, which is the Municipal Council itself, and that in any event the applicants had no status in the matter, as no breach of any agreement with them could be shown.

After a short hearing, counsel for the applicants, Mr. Z. Klimantinovsky, agreed to the cancellation of the order *nisi*. He stated that he would be content with the declaration of Mr. Zilbiger at this stage, on the basis that the Municipality should appreciate its duty to prevent bad smells and the concentration of flies and mosquitoes in the vicinity as a result of the erection of the convenience. *(Itim.)*

Labour Unions Dispute Jaffa Factory Strike

Jerusalem Post Reporter

TEL AVIV, Monday. — The Herut-sponsored National Federation of Labour today accused the Histadrut of interfering with its members' rights.

The accusation was levelled by Mr. M. Haus, the Federation's trade union head, at a press conference called in connection with the two-month-old labour dispute at the Doron factory for collapsible furniture in Jaffa.

The dispute had at times taken a violent turn, he said. At present, seven Histadrut members were on strike while ten Federation members carried on working.

A member of the works committee said the strike had broken out after a veteran worker had been dismissed with the approval of the Federation-dominated committee. The worker secured the intervention of the Histadrut.

"The Federation was mixing up the issue," Mr. E. Shechter, Labour Council Secretary, told *The Jerusalem Post* tonight. The dispute was between the Council and the factory owner. The Council was prepared to submit the dispute to arbitration. The employee had been arbitrarily dismissed while on sick leave, because he had agitated for improvements in the bad social conditions of the workplace, Mr. Shechter claimed.

Fined IL100 For Accidental Killing

A 19-year-old boy was yesterday given a six months suspended sentence by Jerusalem District Court Judge S. Kassan and fined IL100 for having been guilty of negligence in the accidental shooting to death of a friend.

Eliezer Engelman, 19, of Petah Tikva, confessed that on March 27, 1954 he had accidentally discharged a bullet from a rifle, killing Amnon Chimigav. The two were both members of a training group at Kibbutz Be'eri, in the Negev.

The prosecution charged that Engelman, who at the time was 17, had aimed the rifle at his friend and pulled the trigger without first making certain that there were no cartridges in the firing chamber.

In a plea for clemency the accused asserted that he had been given no instruction on the handling of the gun before it was put in his hands for night watchman's duty. Moreover, the accident had affected him deeply, to the point that he was given a discharge from national service. *(Itim.)*

1,500° Kilns For Tiles in Beersheba

BEERSHEBA, Monday. — One of the two new tunnel kilns for the production of wall-tiles will be lit tomorrow at the Kharsa Ltd. ceramics works. The heat will be 1,500 degrees Centigrade.

The kilns, which were acquired from the Shlumin Corporation and which together with the other tile-producing machinery cost IL-1.5m., are expected to produce six million tiles a year, mostly for export, giving an anticipated income of IL1,700,000.

An additional 80 workers, mostly newcomers to the district, will be employed on the two kilns, bringing the total number of employees at the Kharsa works to 240.

The other kiln will be lit in two months' time.

Canned Meat on Ration To Combat Egg Shortage

Jerusalem Post Reporter

TEL AVIV, Monday.—Incode canned meat was put on the monthly ration yesterday, with a single person entitled to one can and a family of three to two cans.

The ration price of a tin (450 grams) is IL1.300. The price in the free market is approximately IL1.450.

The move is believed intended to combat the rise in the price of fresh meat to IL8-IL9 per kilo and to ease the demand on eggs.

A Merchants Association spokesman today forecast an end to the egg shortage within the next two to three weeks as poultry farmers anticipate increased laying.

Citrus Board Says Europe Wants Crates

Jerusalem Post Reporter

TEL AVIV, Monday. — The Citrus Marketing Board has no set policy on methods of packing next season, but most European customers had expressed their preference for fruit in wooden crates, as in the past, Mr. Moshe Levin, representative of the Board in London, told a press conference today.

Mr. Levin described the last citrus season as "the best in our history," and warned that we should not expect the same income next year because of estimated increases in exports from Spain, Italy and North Africa. Citrus plantations should therefore not be increased, he said.

More than eight million crates were shipped to 20 countries during the season.

Mr. Levin told a questioner that the success was due partly to modernisation of packing.

Mivtahim Farm Settlers Continue Violent Strike

Jerusalem Post Reporter

BEERSHEBA, Monday. — Strikers in Mivtahim today destroyed furniture, expelled school teachers and blocked the roads leading to the village.

The strike, which broke out last Friday in protest against the higher work norms introduced last week by the Jewish Agency, still continues tonight, despite negotiations which took place during the day between the strikers and Mr. Micha Talmon of the Agency.

The settlers state that they will not give in, claiming that the farm is their property, and that they can "chase out whom they want." They have made it plain that they will do as much work as they want, and no more.

Five men who were arrested yesterday following the stoning of the police who went to investigate the strike, were released on bail today.

Changes Made In Invalids' Law

Jerusalem Post Knesset Reporter

Members of underground organizations who were invalided prior to November 30, 1947 and whose percentage of disability is between 10 and 34 per cent will be eligible for pensions under an amendment to the Invalids Law which passed its first reading in the Knesset last night. Invalids with a higher degree of disability already receive pensions.

The bill also makes a technical change which makes it clear that volunteers in the British Army during World War II who were invalided are not entitled to grants from this country.

Such invalids receive pensions from the British authorities, and the purpose of the amendment is to protect their right to such pensions.

Wilner Wins Appeal Against Eviction Order

Mr. Meir Wilner, M.K., yesterday won his appeal before the Supreme Court against an eviction order issued against him by the Tel Aviv Magistrate which the District Court had made into a limited order.

The landlord alleged that his tenant had sublet to Mr. Wilner two rooms in a three-roomed flat in Rehov Ben Yehuda, Tel Aviv, without permission. The Magistrate ordered Mr. Wilner to vacate the rooms, but on appeal the District Court reduced the eviction order to one room.

The Supreme Court quashed the eviction order entirely and ordered the landlord to pay IL200 costs of the three hearings. *(Itim.)*

GYPSY TROUPE'S ARRIVAL DELAYED

TEL AVIV, Monday. — The premiere of the Hungarian Gypsy Troupe, scheduled to be held at Ramat Gan tomorrow night, has been called off at the last minute because the party has been delayed in Belgrade. They are now due late tomorrow night.

Tickets for the performance may be exchanged for the show to be held on June 23.

The group will perform in Jerusalem on Wednesday and before the diplomatic corps and press in Tel Aviv on Sunday. The rest of the schedule remains the same.

Padua Sues K-F For IL250,000

TEL AVIV, Monday. — A suit for IL 250,000 damages from two Directors of the Kaiser-Frazer Corporation in Israel has been filed in the District Court by Mr. Jack Padua.

Mr. Padua claims that the two Directors, Mr. E. Ilin and Mr. A. Friedman, and a lawyer allegedly acting in their name, Mr. A. Persitz, had failed to keep their promise to appoint him a Director of the Corporation and to allow him to acquire ten per cent of its shares.

The case is to open next Monday before Judge Z. Zeitner, Relieving President of the District Court.

The claim states that in 1949, Mr. Padua and a group of friends acting on his behalf, negotiated with the Kaiser-Frazer Corporation in the U.S. for setting up an assembly plant in Israel. Mr. Padua claimed the right of acquiring 20 per cent of the shares within a year from the commencement of production and an appointment as a Director at a monthly salary of IL750.

Mr. Ilin and Mr. Friedman allegedly agreed to the deal with Kaiser-Frazer and recognized Mr. Padua's claims. On this basis, Mr. Padua continued his efforts towards setting up the plant and obtained the agreement of the Israel Government and of Kaiser-Frazer in the U.S.

At the end of 1949, the defendants broke their promises, it is claimed.

Mr. Padua claims that he was entitled to a tenth of the plant's assets now estimated at some IL4m. or IL400,000. The loss of his promised salary amounted to IL50,000, while he had also spent $10,000 in preparations for establishing the plant.

However, he set his claim at IL250,000.

In the defendant's statement submitted to the court, Mr. Persitz denied that he had made any sort of promise to Mr. Padua in the name of the other defendants. At the meeting between himself and Mr. Padua, a representative of the U.S. Kaiser-Frazer corporation, Mr. H. Price, had been present and would probably be called to testify.

Mr. Padua had not participated in the negotiations with the Government, it was stated, nor had any agreement for an option been signed between the plaintiff and the other defendants. *(Itim.)*

IL1m. for Paving Tel Aviv Suburbs

TEL AVIV, Monday. — The Municipality is to embark on a million-pound road-paving project in the new suburbs, the Council spokesman told *The Jerusalem Post* today.

The Finance Committee is to discuss the matter at its next meeting. Solel Boneh and the Contractors Centre have been contacted in connection with carrying out the project on a long-term credit basis.

HAIM ARIAV

(Continued from Page 1)

ond Knesset and a Deputy Speaker in the latter.

President Ben-Zvi sent the following telegram to the Knesset Speaker: "Please accept my condolences to Members of the Knesset on the untimely death of Deputy Speaker Haim Ariav, one of the leading personalities of the Second Aliya and one of the pillars of the Farmers Federation."

The Uruguayan Minister, Mr. Pedro Maria di Lorenzo, telegraphed to Mr. Sprinzak the Legation's "heartfelt condolences on the regrettable passing" of Mr. Ariav.

Haim Ariav was born in Lida, Poland, in 1895. He settled in Palestine in 1913 and served as an officer in the Turkish Army during World War I. He was graduated from the Jerusalem Law School in 1928.

Named Secretary-General of the Jewish Agency in 1939, he left in 1951 to become Secretary of the Farmers Federation, in which post he served until 1956. He founded the League of Local Councils in 1934, was a member of the Presidium of the Vaad Leumi's Education Department and a member of the Executive Committee of the General Zionist Party.

A Member of the Knesset since 1951, Ariav was elected one of the Deputy Speakers in the Third Knesset.

Dr. and Mrs. Yehuda Ragolsky

are happy to announce the birth of a

daughter

on June 15, 1957, at the Elisha Hospital, Haifa.

Drawing of the Magen David Adom in Israel

We hereby announce that holders of tickets for the "Emergency" Drawing of the Magen David Adom which are listed below — should collect their prizes.

The deadline for collecting prizes has been extended for another month (but not later than Wednesday, July 17, 1957).

Winners should apply to the main office of the Magen David Adom, 9 Rehov Ein Dor, Hakirya, Tel Aviv.

Winning numbers still to be collected:

1490, 3461, 3585, 5442, 6015, 20029, 25808, 33637, 34013, 37202, 42425, 45394, 51200, 58218, 62831, 64189, 64452, 74118, 78494, 77892, 80902, 81693, 84784, 84999, 91530, 100166, 104250, 106484, 107231, 118995, 120093, 120499, 120805, 123357, 130464, 138304, 142228, 146032, 146438, 157080.

Kafr Kasim Prosecution Brings Last Witness Today

By MACABEE HASKIN, Jerusalem Post Reporter

A plea to discharge his client, Abdul Rahman Ismail, on the grounds that insufficient evidence had been presented to convict him of participating in the killing of 47 villagers in Kafr Kasim on October 29 is to be made this morning before the Military Tribunal, by Mr. Gideon Hasid, it is learned.

Ismail is one of the two Circassians being defended by Mr. Hasid.

Yesterday, the Court sat until 7 p.m. in a vain effort to complete the testimony of the last scheduled prosecution witnesses. The last witness is to testify this morning. The defence is to start presenting its case next week.

First Inspector Natan Blecher, who acted as liaison officer between Rav-Seren Shmuel Malinki, the No. 1 accused, and Aluf-Mishne Issachar Shadmi, sector commander, yesterday testified on his duties on October 29.

He said his jeep, with radio transmitter and receiving set, was parked near A/M Shadmi's headquarters. He received no messages from Malinki, he said, but he admitted that he left the radio unattended several times for more than ten minutes.

He also turned the radio off sometimes, he said. Asked how contact could have been established if someone from Malinki's force wanted to report urgently, he said this person would have first to telephone him and tell him to turn the radio on. (Laughter in the courtroom.)

13-Minute Witness

Inspector Blecher set a record at the trial, in that his entire testimony, cross-examination, and re-examination took only 13 minutes.

First Inspector Moshe Tiomkin, 25, second-in-command of the company which imposed the curfews in the Kafr Kasim area, said that Malinki had ordered a stringent curfew.

"It will not be too bad if ten persons are killed in each village," the witness quoted Malinki as saying. Everyone outside was to be shot at to kill. This included those returning unaware of the curfew, as well as women and children. Tiomkin understood that there were to be "no wounded, that is, the wounded were to be liquidated."

Inspector Tiomkin was with his commanding officer, Assistant Superintendent of Police Haim Levi, when reports of the dead were received from Segen Gavriel Dohan, the No. 2 accused.

The killings were assumed to be a normal consequence of Malinki's order. When a report of "15 less" (dead) was received, a brief discussion ensued. It was decided to order Dahan to act with restraint until 7.30 p.m. Then the curfew was to be re-imposed with its former strictness.

The witness told of coming to Kafr Kasim and taking nine wounded to the hospital. All but one died.

He also took a truck load of bodies to the Institute of Forensic Medicine in Abu Kabir, but "the authorities refused to accept the bodies." He waited until shortly before dawn and then took them to Rosh Ha'ayin.

Not for Evil

Mr. Yosef Azran, defending Malinki, asked: Did not Malinki say that the order was not to be exploited for evil ends?

A. — That is what he said.

In reply to another question, the witness said he had not heard Malinki use the phrase "May Allah have mercy on their souls." He did remember Malinki using an Arabic phrase, but he did not understand Arabic.

In reply to Mr. Yitzhak Oren, defending Dahan, the witness said that on the night of October 29 he had received the impression from his superiors that the bodies and the wounded were to be dispatched to different hospitals so that it would be difficult to count them and learn when and where the shooting had taken place.

Q. — Did the order given to Dahan cover everything that Dahan subsequently did?

A. — The order covered everything.

Q. — Was there any room for Dahan to use his own judgment in regard to the order?

A. — No, he did not even have time to think about it.

Mr. Hasid asked: Why did you think that these villagers had to be killed?

The witness said he believed it was on security grounds.

Aluf-Mishne Benyamin Halevi, presiding judge, asked: You expected dead in every village?

A. — I thought there would be dead in all the villages.

The witness said that two years ago he killed an infiltrator caught smuggling.

The trial will continue this morning.

IL23,000 Compensation To Crash Victims' Heirs

A lorry driver and three other defendants were yesterday ordered to pay IL23,250 to the widow, orphans and parents of Salim Dahan, who was killed in a collision between the lorry and his bicycle in May 1954.

The deceased, a resident of Nahlat Yehuda, was cycling along the Kastina-Mazmiya road when the lorry, driven by Yitzhak Prado of Tel Aviv, approached from behind and tried to overtake the cycle without sounding his horn. The cyclist was struck and fatally injured.

The owner of the lorry, David Azriel of B'nei B'rak, the Shimshon Transport Company and the Zion Insurance Company are the other defendants.

Jerusalem District Court Judge M. Gaulan awarded IL20,250 to be paid to the widow and the children (out of which they are to return IL3,000 to the National Insurance Institute), and a further IL3,000 to the deceased's estate, for the benefit of the widow, parents, and the orphans. *(Itim.)*

1,500 New Housing Units this Month

The Ministry of Labour's Housing Division will lay the foundations of 1,500 new housing units this month.

The units will be scattered throughout the country, but the main centres will be Holon with 284; Beit Shemesh, 160; Bat Yam, 212; Tiberias and Beisan, each 120; Nazareth, 94 and Kiryat Gat, 94.

Asian Flu Will Sweep World

LONDON, Monday (UP). — Sir MacFarlane Burnet, expert on virus diseases and radiation, flew into London Airport tonight from Australia and said Britain cannot escape the flu epidemic which is sweeping Asia.

The Director of the Walter and Eliza Hall Research Institute said the epidemic would cover the world, and arrive in Britain next winter.

"Nothing can be done to stop it," he declared.

Asked if atomic explosions could be blamed for the epidemic, Sir MacFarlane said: "It is extremely improbable, but of course I cannot tell."

He said the cessation of atomic tests could only be considered in relation to other sources of radiation such as industry and medical X-rays. Sir MacFarlane will spend three weeks in England before going on to Geneva for the International Polio Congress.

McClean-Weiss Refused Psychiatric Review

An application to have his client, Oliver McClean (alias Ya'acov Weiss), submitted to psychiatric examination in hospital, made by Mr. A. Lavitsky, was refused yesterday by Judge S. Kassan, Relieving President of the Jerusalem District Court.

Weiss is charged with making preparations to hand over secret information on the Israel Defence Forces to the Syrian Intelligence Service, and of writing down secret information on the Defence Forces.

The defendant, who is 23, underwent a prolonged investigation in the State Hospital in Beer Ya'acov during the preliminary hearing in the Magistrate's Court, and the doctors had determined that he was fit to stand trial.

Judge Kassan refused to accede to the application to send Weiss for further observation, after prosecuting counsel, Mr. M. Vollinski, had pointed out that there had been no factual change since the doctors gave their opinion. *(Itim.)*

AN ABSORBENT cotton store went up in flames in the Rassco quarter of Holon on Sunday. Damage is estimated at IL5,000.

Cables in Brief

CORRUPTION. — Two Vice-Governors and a top official of the Kwangsi Province of China have been discharged for mishandling food distribution during a shortage last year, Peking Radio said yesterday.

PRELATE. — Cardinal Stefan Wyszynski of Poland left Rome yesterday by train for Warsaw after six weeks in the Vatican where he reported to the Pope and the Holy See authorities on the state of the Catholic Church in Poland.

LIGHTNING. — Three men were killed and three others injured at Scranton, Pennsylvania, on Sunday when lightning struck a party of golfers sheltering under a tree during a rainstorm.

BARBECUES. — Lightning killed 27 cows yesterday as they stood under a tree on a farm south of Oxford, England.

CO-PILOT. — Captain Herton Hale suffered a heart attack while piloting a Trans World Airways Constellation plane yesterday and was dead when the plane was landed safely in Grand Island, Nebraska, by his co-pilot.

MEMORIAL. — Citizens of Poznan have set up a committee to organize yearly memorial services for those who fell in the anti-Communist rioting in the city last year, Warsaw Radio reported on Sunday.

ACTOR. — British actor-producer Esme Percy, who staged many of the plays of George Bernard Shaw, died in his sleep at a Brighton, Sussex, hotel on Sunday at the age of 69.

UNTIDY. — A policeman who went on duty at Buckingham Palace wearing a beard has been told to resign after a disciplinary board at London police headquarters charged him with failing to obey an order and with appearing on parade in an untidy state.

Half face test

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Enlarged Arms Exhibition in Haifa
will be opened tomorrow
June 18, at 8.30 p.m.
Festive opening:
1. Concert by the Haifa Symphony Orchestra and Chamber Choir
2. Greetings: Mayor Abba Khoushy
Aluf Yitzhak Rabin, O.C. Northern Command
Mr. Shimon Peres, Director-General of the Ministry of Defence.
3. Premiere tour of exhibition.
Admission by invitation only.
The exhibition will be opened to the public at 10 a.m. on June 20.

Haifa Arms Exhibition
Special arrangement for tourists!
הערוכות הנשק חיפה
Tourists wishing to visit the Arms Exhibition in Haifa should apply to the Government Tourist Offices or Pelitours offices in all parts of the country for organized tours with instructors.
Tour of the captured destroyer Ibrahim el-Awal. The exhibition will be opened to the public at 10 a.m. on June 20, and will remain open until midnight.
A special cancellation mark will be used by a Post Office branch at the exhibition (from June 20), between 10 a.m. and 1 p.m; 4 and 7 p.m. Special envelopes and postcards will be used.

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C. O. L. ALLOWANCES

WHILE frantic efforts are being made to prevent a further rise in the c.o.l. index and the resultant necessity of increasing wages, little thought is given to the changing nature of this intricate problem, although that should have been the first step to solving it.

The trade union rank and file (though no longer all the leaders) still clings to the belief that without the c.o.l. allowances it would be fooled out of its "real" wages by cunning employers in a position to increase prices and profit margins while continuing to pay the same money wages. Moreover, the unions are anxious to get the allowances in cash as soon as possible, reasoning that the workers need all they earn for maintaining their standard of living, and in any case that only thus can they be compensated for what they advance to producers when paying inflated prices.

As a matter of fact, in both respects the trade union attitude more or less reflects the situation that prevailed in this country (and elsewhere) on the eve of World War II.

When the c.o.l wage clause was introduced under the Wood-Horowitz report of 1942, the Allied war effort was the big potential market for our produce — and the sole source of inflation. Jewish industrial workers were a minority both as consumers and as producers in Mandatory Palestine, and virtually the whole of their income was spent on current consumption.

What remains of these basic facts in Israel today? Almost the entire national product is now sold at the home market, and had not additional purchasing power been provided to consumers, the producers would have been forced to cut prices (and profits) or to curtail output (i.e. to divert a part of it to markets abroad). In fact, the abolition of the c.o.l. allowances would entail transitory hardships for the wage-earners, but for farmers, manufacturers and other caterers to the local public it would spell a major crisis (salutary though its final effect would perhaps be).

On the other hand, the old notion of wages being spent immediately is simply no longer true. In 1956 wage-earners provided most of the IL62m. invested by individuals in securities and saving schemes, quite apart from the monies invested privately or spent on durable consumption goods and housing improvements. One could almost say that the c.o.l. allowances now mainly serve to finance these savings, and there is no doubt but that this trend will be intensified by the new wage agreement granting full allowances on basic wages up to IL500.

Nevertheless, opponents of the c.o.l. allowances still have nothing better to show than the hackneyed argument about the excessive importance attached to seasonal vegetable prices in calculating the c.o.l. index. This is, however, evidently a trifle when compared with the basic problem, and just now it is not the early tomatoes but the short supply of eggs which exerts pressure—and a legitimate one—on the c.o.l.

Moreover, certain indirect taxes ("defence") have already been excluded from the index as far as the calculation of wage-allowances goes. (A moot point, which will presumably be raised before long, is whether Histadrut's acquiescence in this is also binding on the holders of c.o.l.-linked securities.) And yet, unless drastic changes take place in a matter of days, the annual national wage bill may rise by another IL100m. for the year beginning next month.

Now, what exactly would this spell for the country? Only a year ago labour would have been triumphant while economists would cry "inflation." Both would presumably be more hesitant today. The Bank of Israel Annual Report shows that the great general wage increase of the past year, which cost us so much energy and generated so much mutual resentment, has produced literally nothing: the workers' real wages advanced by an average of 3.5 per cent, i.e. as much as in the "wage-freeze" year 1955. The only result of the wage hike was that the higher domestic prices and production costs have reduced export profits (without subsidies) and further undermined the rate of exchange. Yet the inflationary fillip proved much less than originally expected, partly perhaps because it has been offset by additional taxation and higher voluntary savings.

Is not that evidence that Israel economy is on the point of adjusting itself to the "linking" system to such an extent as to become indifferent to it and that the c.o.l allowances are losing their importance both as social stabilizers and as economic stimulants? One conclusion from this could be that they might as well be abolished. But perhaps we could retain them if a way could be found to solve our real problems by some new, unorthodox methods.

Influx of Private Funds Affects Inflation

By Our Economic Editor

BANK of Israel publications have already established a tradition in this country by the clear and comprehensive analysis of economic developments, undaunted by political exigencies and popular slogans, and the Annual Report for 1956 sets another example in this respect. Like its predecessor it will certainly become an indispensable reference book for economic data, and, let us hope, also a book of guidance for muddle-headed politicians and biased spokesmen for sectional interests.

Regrettably, the Report does not always adhere to that standard of concise limpidity which is a precondition of an appeal to a wider public. It exceeds all previous surveys, however, in statistical insight, endeavouring to achieve a fuller understanding of economic processes.

This is obvious in particular in the chapters dealing with monetary expansion. Altogether the amount of means of payment (currency and sight deposits) increased by almost IL98m. (IL420 to IL-518m.) in 1956. That was 23.5 per cent, while total national income rose by 19.5 per cent (both figures slightly above those of 1955). The increase in gross national product at real terms, however, was only eight per cent (as compared with 11 per cent in 1955) and the average level of prices also rose by about eight per cent, varying between a 6.4 per cent rise in the cost of living, 10 to 12 per cent in the cost of investments, and 15 per cent in building costs.

Buying Power

Thus the additional purchasing power has not yet fully spent its force, and it is small wonder if inflationary pressure has continued in the past few months, especially since both currency in circulation and deposits have continued to advance. Equally typical of the inflationary situation is the steep rise in investment and building costs, both of which have soared further since 1956.

Moreover, money wages have risen 14 per cent in industry, 12 per cent in building and 10 in farming, without taking into account the improved social emoluments in most cases. This is far more than the rise in the prices of most imported goods. As a result, the tendency to replace local labour by imported machinery has been strengthened and the industries relying to the largest degree upon local resources, i.e. having the highest added value, have been unfavourably affected.

As a matter of fact, the Report points out, even this stage may be considered as relatively satisfactory in view of the heavy import that has taken the brunt of the inflationary demand. While the total import of goods and services increased by 24 per cent and the gap in the foreign currency balance by 27 per cent (from $283m. to $358m.), the amount of gross investments in real terms was somewhat below its 1955 level.

This use of foreign currency resources for current consumption (including defence) on so great a scale has been made possible by $50m. in additional foreign debts, of which a substantial part will have to be repaid in the near future. Of the IL380m. added to the national income in 1956 (at that year's prices) over 37 per cent were accounted for by the import surplus. Again, about one-third of this added income was used for private consumption and two-thirds for public consumption but nothing for investments.

In 1955 at least part of the depreciation of local assets—less than a quarter—had been covered by domestic savings. In 1956, we were back at the position of several years ago, when the influx of foreign capital was greater than total gross investments. Of course, in 1956 there was the big defence expenditure and the Sinai campaign and all that, but as the Report puts it—"this development is contrary to that in other countries, for there governments have been able to reduce private consumption wherever more of the national resources had to be diverted to defence."

Government Role

Nothing would thus appear more obvious than blaming the government for excessive spending, demanding a balanced budget etc., but the real facts are much more complicated. Indeed, of the IL96m. of additional means of payment fully IL76m. were due to the net increase in local government indebtedness, i.e. deficit financing, while of the IL36m. expansion of bank credits a considerable part was offset by private savings, increases in bank capital etc.

A new table showing a "balance of payments" of the Treasury for the period of April-December 1956, also reveals that during these nine months, local payments exceeded local receipts by IL180m., on current account and by IL115m. on long-term accounts, and that the gap was covered to the amount of IL115m. by non-requitted capital import (German reparations and the U.S. grant-in-aid) while the rest was approximately evenly divided between foreign loans (partly short term) and overdrafts with local banks.

Yet a more discriminating glance into monetary interplay, distinguishing between the domestic creation of purchasing power and the movements caused by the influx of foreign currency which was converted into pounds or vice versa, shows that against the IL76m. of Government deficit there was IL79m. which the Government scooped from the economy in order to pay for the foreign currency needed abroad, while the non-government sector (which includes however the Jewish Agency, the government corporations etc.) combined an excess of IL15m. in local credits with IL85m. in net foreign currency influx. Of this last amount, about one-half was private restitution receipts from Germany, while the other half must have been largely public funds.

From this angle, one is forced to the conclusion that inflationary pressure would have existed even independently of the defence expenditure as a natural result of a heavy capital influx and a high spending rate in an economy enjoying almost full employment (artificial though it may partly be). Under the circumstances prevailing in a "normal" state it would have been the government's task to counteract this development by producing a budget surplus and reducing the credit volume, and it is its failure to adopt this policy that has produced the inflationary effects described above.

Had the Treasury found ways and means to divert private restitution funds, for instance, to state loans or to industrial investments, it could have dispensed with foreign borrowing for financing defence or investment imports, and would at the same time have reduced private building activity and the domestic buying apree for durable consumer goods. Similarly, it could have utilized the local currency generated by this capital import for expanding credits without resorting to the Bank of Israel's rediscounts, government deposits, etc.

All this would have necessitated, however, an entirely different approach to questions of interest, profits, taxation, etc. Indeed, the Government's fiscal and financial policy is only part of the wider context of economic policy which also includes guiding the private sector to targets most advantageous to the common weal.

Sugar Production Improves

By DAN SHOLTO

PROGRESS is reported at the Afula sugar refinery in its second working season to the extent that it now takes nine to ten tons of sugarbeet, instead of the 14 tons that were required last summer, to produce a ton of sugar. However, one reason why Israel-produced sugar is still more expensive than sugar on the international market is that abroad efficient refineries manage to produce a ton of sugar from seven to eight tons of beet.

Another difficulty is Israel's comparatively short harvesting season: the bulk of the crop is taken in between the middle of May and the beginning of August, but beets cannot be stored more than a few days. During the season the refinery employs 310 workers on a basis of three shifts a day, while all the rest of the year only 200 employees are required to refine imported brown sugar and to clean the machinery in preparation for the next season. If present experiments with sugar cane are successful, however, a harvest of cane may be anticipated after the beet season, prolonging the period during which the plant can function at full steam.

The factory, built with a 1.2m. worth of highly automatic machinery brought in from Germany, $850,000 worth of American equipment and a good deal of locally produced machinery, resembles a giant ship's engine room.

The whole vast plant is controlled from an electronic "nerve centre" which can operate any section of the works, or all of them together, while a panel of coloured lights in every section tells the workers there whether they should speed the machines up or slow them down.

Members of the mill's Board — Mr. J. Efter, Manager of Hamashbir Hamerkazi; N. Verlinsky, Manager of Tnuva, and H. Halperin, Manager of the Israel Bank of Agriculture — revealed at a recent press conference that none of the workers had any previous experience in the industry. This could not be offset by the eight technical advisers from Germany and the three graduates of the Technion on the staff, although after a few years there was every prospect of the factory's attaining an international production standard.

Israelis annually consume 45,000 tons of sugar, of which only 5,000 will come from the Afula refinery this year. When experience has been gained, however, the managers hope that the plant will turn out an annual 12,000 tons. The factory's very existence, they explain, has helped to induce a rise in the national sugar acreage from 7,000 dunams to 13,000 dunams since last season.

Collective Growing

Fifty-seven per cent of the season's beet has been planted in the north and the centre of the country, 16 per cent in the south and 27 per cent in the Negev. Only about ten per cent of the beet is grown by private farms, with the bulk coming from collective settlements, and over three-quarters of the season's expected crop of over 60,000 tons will go to Afula.

The refinery earns only IL85 out of the official price of IL800 for a ton of sugar; the remainder represents the cost of the raw material. Farmers receive IL50 per ton for the beet, plus IL1,500 per ton for every per cent of sugar content above 16. The sugar content averaged 18 per cent last year.

More than 30 tons of sugar are refined daily at the Pri Sukar refinery at Givatayim, which processes beet from Lachish and the Beer Tuvia area. Only 200 tons of beet are required to obtain this output, and the mill managers feel that this is a most promising achievement in the first season, after only a fortnight of production. They praise the skill of the workers, who seem to require little help from the German engineers guiding the plant's progress in the early stages.

The management also hopes to refine new products which have had to be imported till now, thus saving foreign currency, exploiting the mill in the comparatively long slack season, and employing 300 workers for a large part of the year.

New Facilities for Restitution Transfers

By a Special Correspondent

AN important step towards meeting the requests of recipients of restitution payments was made by the Finance Minister's statement in the Knesset last Tuesday, although the executive orders for the implementation of these facilities have not yet been published and it will probably take some time before they are promulgated by the order of the Controller of Foreign Exchange.

The Treasury's main argument against granting more favourable facilities in the past was that deviation from the IL1.800 per dollar official rate of exchange would greatly harm the entire economy. Despite such official statements, quite a number of such deviations for other currency transactions took place in various forms, such as a premium for immigrants and one of 850 pruta per dollar (making the rate of exchange IL2.650) on the added value of exports. The Government has also been collecting much higher rates from importers by various means.

Indeed, there was a general feeling that something should be done to adequately compensate this group of recipients. It appears also to have been felt that with a realistic rate of exchange many funds which had not been transferred to Israel because of inadequate compensation would find their way to the country. Moreover, it was felt that, with reasonable consideration, many Israelis would be happy to dispose of their properties in Germany and transfer the money to Israel; and that the more facilities were granted to recipients of restitutions, the more foreign currency would come in.

Three Regulations

Three main regulations fix the facilities granted to this class of foreign currency earners. Two of them, published on December 20, 1954 and on October 23, 1956, embrace all transfers received in foreign currency from the liquidation of assets abroad, inheritance, legacies and life insurance policies and restitution, notwithstanding whether they were derived from Germany or from other countries, but provided that they came in U.S. dollars, Canadian dollars, pounds sterling, Swiss francs and German marks.

Mr. Eshkol's statement on Wednesday, announcing the third regulation, is not yet clear enough, but it should be hoped that these new facilities too will embrace the above categories of transfers rather than limit them to restitution from Germany only.

The regulations can be divided into three groups according to whether the transfers were made between May 27, 1954 and September 1, 1956, between that date and June 1, 1957, or since then.

Under Circular 24/54 from the Controller of Foreign Exchange (dated September 20, 1954) transfers were granted the following facilities.

a. They could buy in Israel commodities sold against foreign currency only.

b. They could import essential goods for personal use provided the competent authorities confirmed that such goods were not available in Israel.

c. They could acquire foreign currency for foreign travel to take care of restitution claims or other essential purposes, on condition such a trip was recommended by a competent authority.

The limit on amounts of foreign currency available for all the above purposes was set as follows:

For the transfer of up to $1,875 (or the equivalent in other foreign currency) — 50 per cent of the amount transferred, but not more than $375; for transfers of $1,876 to $2,500 — 20 per cent; $2,501 to $7,500 — 15 per cent, but not less than $500, and not more than $750; from $7,501 to $12,500 — seven per cent, but not less than $750; for $12,501 and up — five per cent, but not less than $750.

These facilities soon proved inadequate because of the conditions attached to them, of which very few people could take advantage. It may be recalled that an earlier ruling of the Controller of Foreign Exchange had enabled recipients of such foreign currency transfers to acquire a bond called "Bonds Against Foreign Currency" *(Shitrei Erech Tmurat Matbea Hutz)* but the conditions of these bonds did not appeal to transferrers.

Foreign Currency Accounts

It should also be mentioned that transferrers of any free currency (not derived from commercial agreements) received in Israel from any source as from May 26, 1956, have been authorized to keep the foreign currency in U.S. dollars, pounds sterling and Swiss francs (later extended to German marks) in a special account kept by the authorized dealer with the Bank of Israel and known as "Pazak" accounts *(Pikadon Matbea Zar)*. These earned the following interest: for a period of three months—two per cent p.a., and for a period of one year — five per cent p.a. However, the only use that owners of "Pazak" accounts may make of these accounts is to exchange them into Israel pounds at the rate prevailing on the day of exchange.

All these regulations remain in force.

In broad lines, Circular 8/56 of October 23, 1956 allows recipients of foreign currency who receive it after September 1, 1956 from the sources mentioned above to open and keep foreign currency accounts in the amount of 20 per cent of the foreign currency transferred. These accounts are kept by banks — Authorized Dealers — and are known by the Controller of Foreign Exchange as *Pamaz Ha'avara* accounts and by the Bank of Israel as "Tamam" accounts.

The following rules govern these accounts:

a) Such accounts must be opened within 30 days from the date of receipt of foreign currency.

b) The accounts are kept in such foreign currency as has been transferred, or in U.S. or Canadian dollars, Swiss francs and Deutschmarks.

c) Owners of foreign currency are entitled, *without previous references to the Treasury*, to use this currency for the following purposes:

I) Acquisition of foreign securities listed on the Stock Exchange in England, Switzerland, Canada or the U.S. At a later date, the Controller of Foreign Exchange agreed to permit owners of such securities to sell same to other Israelis against Israel currency. Thus they gained a small premium on their foreign exchange holdings.

II) To pay life insurance premiums with certain limitations.

III) To withdraw foreign currency for a trip abroad (with no conditions attached as in the previous circular), provided, however, that not more than $1,200 would be used up for this purpose per year.

IV) For expenses of study abroad, as confirmed by the competent authority.

V) To acquire goods sold in Israel only against foreign currency, after such purchase has been sanctioned by the competent authority.

VI) To import essential goods for personal use on condition that such import was sanctioned by the competent authority.

Owners of Tamam accounts are entitled to use the foreign currency for these purposes themselves or in favour of their spouse, children, or the parents of either spouse.

Withdrawals from Tamam accounts for other purposes must be sanctioned by the Controller of Foreign Exchange in every single case.

Unlike the former two regulations, the one now announced by Mr. Eshkol will increase, though indirectly, the rate of exchange paid to transferrers form Germany. It may be recalled that the Treasury granted three per cent premium to transferrers of German marks some months ago in connection with the difference then existing between the so-called Beko DM and Libka DM, and for all that period the rate of IL44.410 for DM100, was paid instead of the official IL42.800 per DM100.

Mr. Eshkol's statement adds two new facilities, without, of course, cancelling all the existing ones.

20 Per Cent Raise

Every recipient of restitution will receive, in addition to the consideration mentioned above, 20 per cent more for the foreign currency sold to the Treasury. He will get it in the form of a "linked" negotiable Israel currency bond. It is the rate at which such bonds could be transferred, of course, that will determine exactly how much more the recipient is actually getting for the marks he has sold.

Let us presume that the bonds will be the new Housing Bonds, about to be floated by the Government, linked to either the dollar or the C.o.L. index and bearing 4.5 per cent in net interest. The permanent offer of these bonds will of course depress the price below its par value. It should, moreover, be borne in mind that the $-linked 4½ per cent Defence Bonds are selling today at approximately 98½ per cent. Taking into consideration these facts, but adding the three per cent premium mentioned above, it may be assumed that the rate of exchange would thus come to something like IL-2.150 per dollar. Those who wish to keep their 20 per cent in Tamam accounts will be able to do so. In any case, they will receive the above rate of exchange on 80 per cent of the amount transferred.

Whenever the recipient chooses to sell the foreign currency accrued on his Tamam account to the Government, he will receive similar conditions.

Another important facility, though limited only to those recipients of pensions who were liable to income tax, is the relief from the 10 per cent income tax which they had to pay until now. Other restitution transfers are and were not taxable.

Additional questions that arise, both of a material and of a technical nature, will be cleared up, it is hoped, as soon as the regulations are published shortly. They will be welcomed by recipients as a step in the right direction.

COPPER CUTBACK

THE world copper price, which touched £437 the ton in March last year, has fluctuated about £20 during the past months and Rhodesian producers have found it necessary to intervene in the London open market to prevent a further decline. Moreover, the Rhodesian Selection Trust has announced that output at the Roan Antelope and the Mufulira mines will be reduced 10 per cent.

World copper production rose from 3.05m. tons in 1955 to 3.3m. in 1956 and has been running at a slightly higher level in the first half of 1957, while world consumption is estimated at 3.1m. tons.

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